

CHAPTER 156: URBAN HOMESTEAD PROGRAM

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156.01 ADMINISTRATION

The Department of Administration (hereinafter referred to in this Ordinance as Department) is hereby designated as the Agency empowered and authorized to administer an Urban Homestead Program under which family dwellings for one (1) through four (4) families may be conveyed to individuals or families, who must occupy and rehabilitate the dwellings.

156.02 AUDITOR TO PROVIDE DELINQUENT TAX INFORMATION

The Wayne County Auditor shall provide to the Department, pursuant to I.C. 6-1.1-24-4.5, a list of real property on which one (1) or more installments of taxes are delinquent.

156.03 DEPARTMENT MAY ACQUIRE PROPERTY

The Department may acquire real property in the name of the City of Richmond, Indiana for use as provided in this Ordinance by purchase through tax sale, by gift or by outright purchase. Pursuant to I.C. 6-1.1-25-1 and I.C. 6-1.1-25-4, the Department may acquire the deed for real property purchased at tax sale ninety (90) days after the date of sale, after compliance with the notice provisions of I.C. 6-1.1-25-6 .

156.04 NOTICE TO RESIDENTS

The Department shall, after the acquisition of real property for use as provided in this Ordinance, take the steps necessary to fully inform the residents of the City of Richmond, Indiana of;

- (a) The existence, nature, and location of the dwelling;
- (b) The qualifications required for participation in the program under this Ordinance;
and,
- (c) The terms and conditions on which the dwellings may be conveyed to qualified,
persons.

156.05 APPLICANTS

(a) A person may apply for the Urban Homestead Program by completing a bid application. An applicant is qualified and shall be approved to receive real property offered under this Ordinance if he:

(1) Is at least eighteen (18) years of age;

(2) Possesses the financial resources to support a loan, the necessary skills to rehabilitate the property, or a combination of both; and,

(3) Has, including immediate family, not previously participated in the Program. Immediate family shall be defined as any person living in the same household and related to the applicant including but not limited to a wife, son, daughter, mother, father, brother or sister.

(4) Is not an elected official or an employee of the City of Richmond, Indiana.

(b) Approved applicants are entitled to receive a list of all properties owned by the City of Richmond that are available under this ordinance.

(c) Approved applicants may apply for each dwelling in which they are interested. A drawing shall be held to determine those persons receiving the dwellings. Each approved applicant and his immediate family may receive one (1) dwelling in the drawing.

156.06 TERMS OF CONVEYANCE

The conveyance of a dwelling to an applicant under this Ordinance shall be made in return for a fee which includes the total amount of City funds expended to acquire the property, to insure the property, to secure and stabilize the property and the total amount of payments in lieu of taxes during the time the applicant resides in the dwelling and the property is held in the City's name {of one dollar (\$1.00) or more} and the execution by the applicant of an agreement with the following minimum conditions:

(a) The applicant must reside in the dwelling as his principal place of residence for a period of not less than three (3) years.

(b) The applicant must bring the residence up to a minimum code standard, including buildings, plumbing, electrical, and fire code standards, within twelve (12) months after possession, or before possession, if required under (d).

(c) The applicant must carry fire and liability insurance on the dwelling at all times.

(d) The applicant must comply with any additional terms, conditions, and requirements that the Department may impose to assure that the purposes of this

Ordinance are carried out. This may include the requirement that the dwelling be rehabilitated to minimum building code standards before possession.

156.07 CONVEYANCE

The Department shall convey the real property acquired for the purposes of this Ordinance to those persons qualified under 156.06 of this chapter by using the methods prescribed by (a) or (b).

(a) The real property may be conveyed by a conditional sales contract, with title to remain in the City of Richmond for a period of at least one (1) year.

(b) The title to real property may be conveyed to the purchaser as a determinable fee, with the language of the granting clause in the deed of conveyance to include the language, "The property is conveyed on the conditions that the purchaser:

(1) Will reside in the dwelling as his principal place of residence for a period of not less than three (3) years;

(2) Will bring the residence up to minimum code standards in twelve (12) months;

(3) Will carry adequate fire and liability insurance on the dwelling at all times.

156.08 NONCOMPLIANCE

Before the vesting of a fee simple title in the purchaser, any material failure by the purchaser to carry out the agreement entered into under Section 156.06 of this Ordinance nullifies the agreement and all right, title, and interest in the property immediately reverts to the City of Richmond, except that the Department may grant the purchaser a specified period, not to exceed two (2) years, to come into compliance with the terms of the agreement. The Department may subordinate its interest under the terms of the agreement to financial institutions or persons lending money to the purchaser for the purpose of allowing the purchaser to fulfill the terms of the conveyance.

156.09 FEE SIMPLE TITLE

After the purchaser has resided in the dwelling for the required three (3) year period, brought the property into compliance with the required code standards, and otherwise complied with the terms of his agreement, the Department shall convey to him a fee simple title to the property.

156.10 RULES AND REGULATIONS

The Director of the Department shall prescribe the rules and regulations necessary to carry out this Ordinance, including rules and regulations establishing standards and methods for inspection of buildings, bidding for properties by applicants and measurement of rehabilitation progress.

156.11 TAX EXEMPTION

Property acquired or held under this Ordinance with retention of the deed by the City of Richmond is considered property of the City held for municipal purposes and is exempt from property taxation. This property tax exemption becomes effective on the date of conveyance to the City. A petition to cancel taxes or a certified application for exemption is not required for property acquired or held under this Ordinance.

156.12 PROPERTIES NOT CLAIMED

Any property for which no one applies in two (2) successive drawings held under this Ordinance may be sold at public auction to the highest bidder. (Ord. 21-1986)